



Iowa Department of Human Services

Iowa Health and Wellness Plan and the State Innovation Model (SIM)

Presentation to Legislative Interim Committee

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Iowa Health and Wellness Plan Background

The Iowa Health and Wellness Plan was enacted to provide **comprehensive health coverage** for low-income adults

- Begins January 1, 2014
- Iowans age 19 - 64
- Income up to and including 133% of the Federal Poverty Level (FPL)
- New, comprehensive program will replace the IowaCare program, ending December 31, 2013



Iowa Health and Wellness Plan

- The Iowa Health and Wellness Plan must receive approval from the federal government
- DHS is working to obtain approval
- Some program details may still change as we work with federal officials



One Plan, Two Options

Iowa Wellness Plan

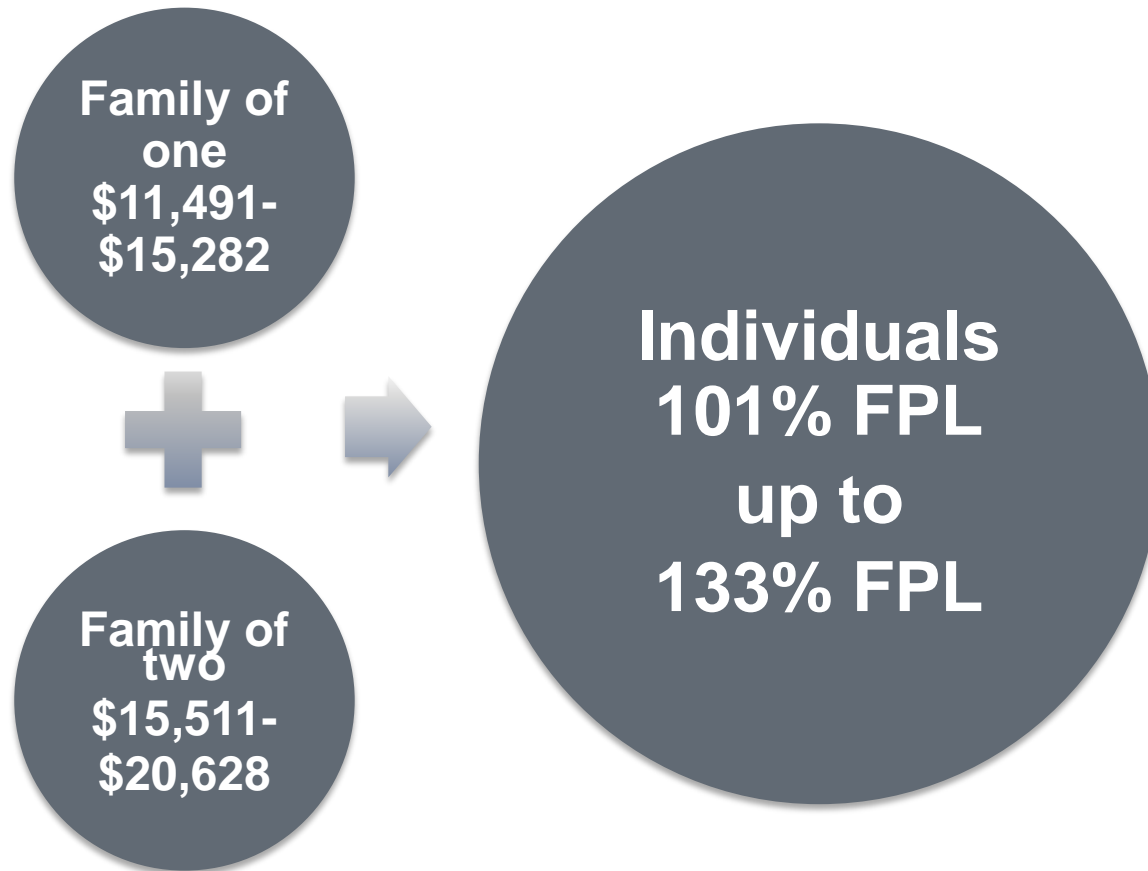
- For adults age 19 - 64
- Income up to and including 100% of the Federal Poverty Level

Marketplace Choice Plan

- For adults age 19 - 64
- Income 101% to no more than 133% of the Federal Poverty Level



Marketplace Choice Plan: 101-133% FPL





Marketplace Choice Plan: 101-133% FPL

Members select a certain ***commercial health plan*** available on the Health Insurance Marketplace

Medicaid pays the premiums to the commercial health plan on behalf of the member –
often referred to as “premium assistance”



Marketplace Choice Plan: 101-133% FPL

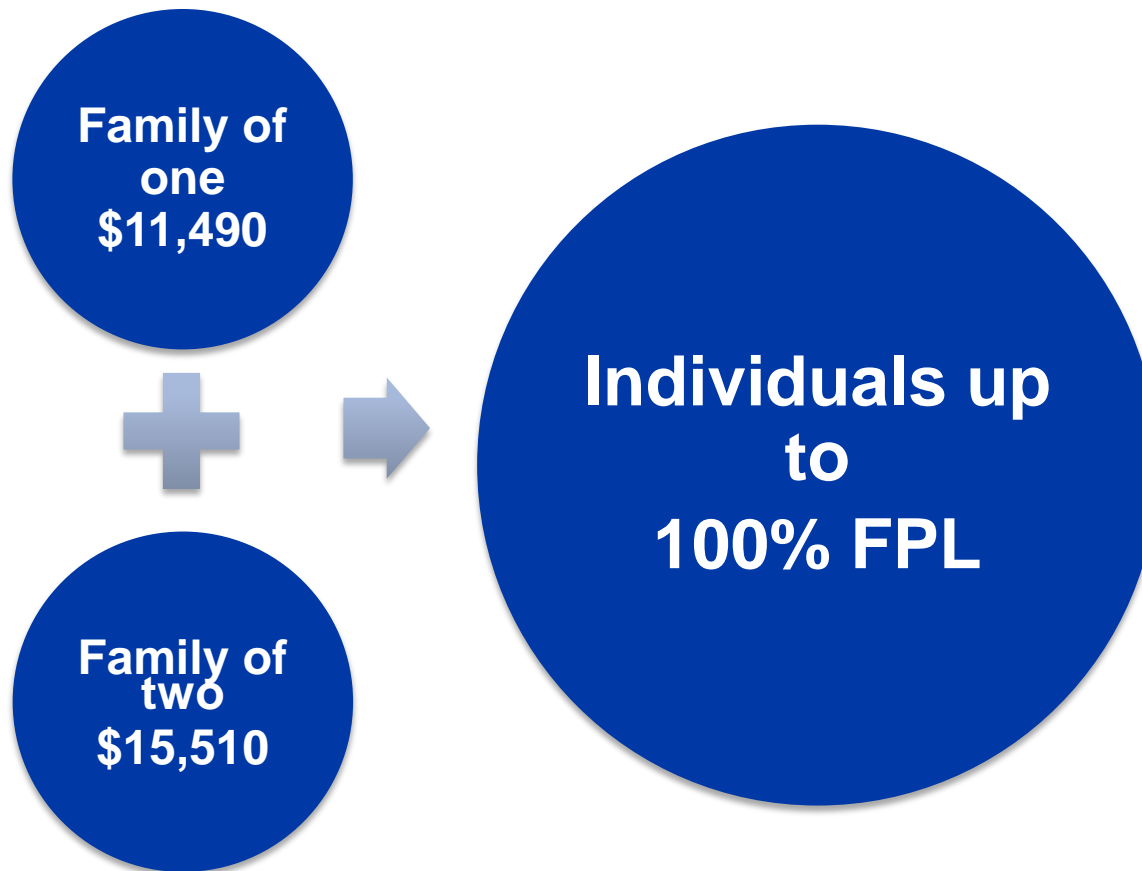
Innovation: Purchasing private coverage

Allows individuals to stay enrolled in their current plan if their income changes





Iowa Wellness Plan: 0-100% FPL





Iowa Wellness Plan: 0-100% FPL

Program innovations include:

- ***Coordination of care*** for members through ‘medical homes’
- ***Providers are accountable*** for achieving high quality and cost effective care that is focused on the patient
- ***Members have incentives*** to engage in healthy behaviors



Iowa Wellness Plan Reforms

- Iowa will pay incentives to physicians and ACOs for achieving quality metrics consistent with Wellmark metrics
- No claims history, so starting with incentives and will move to shared savings for ACOs
- Provides starting point to begin and learn, and will eventually be merged under larger Medicaid SIM designs



Provider Incentives

Payment	Performance
Primary Care Case Manager Fee \$4.00	Per Member Per Month
Wellness Exam Incentive \$10.00	Per Member Annually if Threshold Achieved
Wellness Plan Medical Home Value Index Score (VIS) Bonus Up to \$4.00	Per Member Per Month – Paid Quarterly if Quality Target Achieved
ACO Member Engagement \$4.00	Per Member Per Month for specific member engagement and access targets



Value Index Score (VIS)

- Aligns with Wellmark ACO program
- Aligns with SIM Program starting January 1, 2014
- Planned for Full Medicaid ACO through SIM

Member
Experience

Primary &
Secondary
Prevention

Tertiary
Prevention

Population
Health

Continuity of
Care

Chronic and
Follow-up
care

Efficiency



ACO Option

- Wellness Plan includes Accountable Care Organizations
- ACO can earn the wellness exam, medical home bonus, and member engagement for attributed population
 - By Year 3: the Wellness ACO option will likely be replaced with the SIM initiative to develop a state-wide, full Medicaid ACO program



Iowa Wellness Plan: 0-100% FPL

Member Incentives:

- No copayments except for using the emergency room when it is not an emergency
- No monthly contributions during the first year (2014)*
- No contributions for those with income below 50% FPL*
- Costs cannot exceed 5% of income

**Monthly contributions subject to CMS approval*



Iowa Wellness Plan: 0-100%

Monthly contributions* waived beginning in 2015 if the member completes wellness activities

- First year (2014) members need to complete health risk assessment and wellness exam (annual physical)
- 2015 and beyond will also other wellness activities



**Monthly contributions subject to CMS approval*



State Innovation Model



State Innovation Model (SIM)

- Grants available to Governors from the Centers for Medicare and Medicaid Innovation
- 2 tracks: design (Iowa) or testing
- Funding to develop State Healthcare Innovation Plan (SHIP)
- Submit SHIP in December
- Will apply for testing grant

2013 Design:
State Health Care
Innovation Plan

2014 Testing:
Application for funds /
authority to test

2016? Implementation



SIM Step 1: State Healthcare Innovation Plan (SHIP)

- Due December 2013 to CMS
- 5 year visionary plan
- 19 required components, including:
 - Vision statement for system transformation
 - Well-defined “AS IS” for current system and “TO BE” for transformed state
 - Barriers and opportunities
 - Population health status measures, social/economic impacts on health
 - Timeline



SIM Step 2: Pursue Model Testing Grant Proposal

- 2012: 6 states received ~ \$45 - \$55 million
- Anticipated 2nd round in early 2014
- Number of awardees unknown
- SHIP is part of testing grant



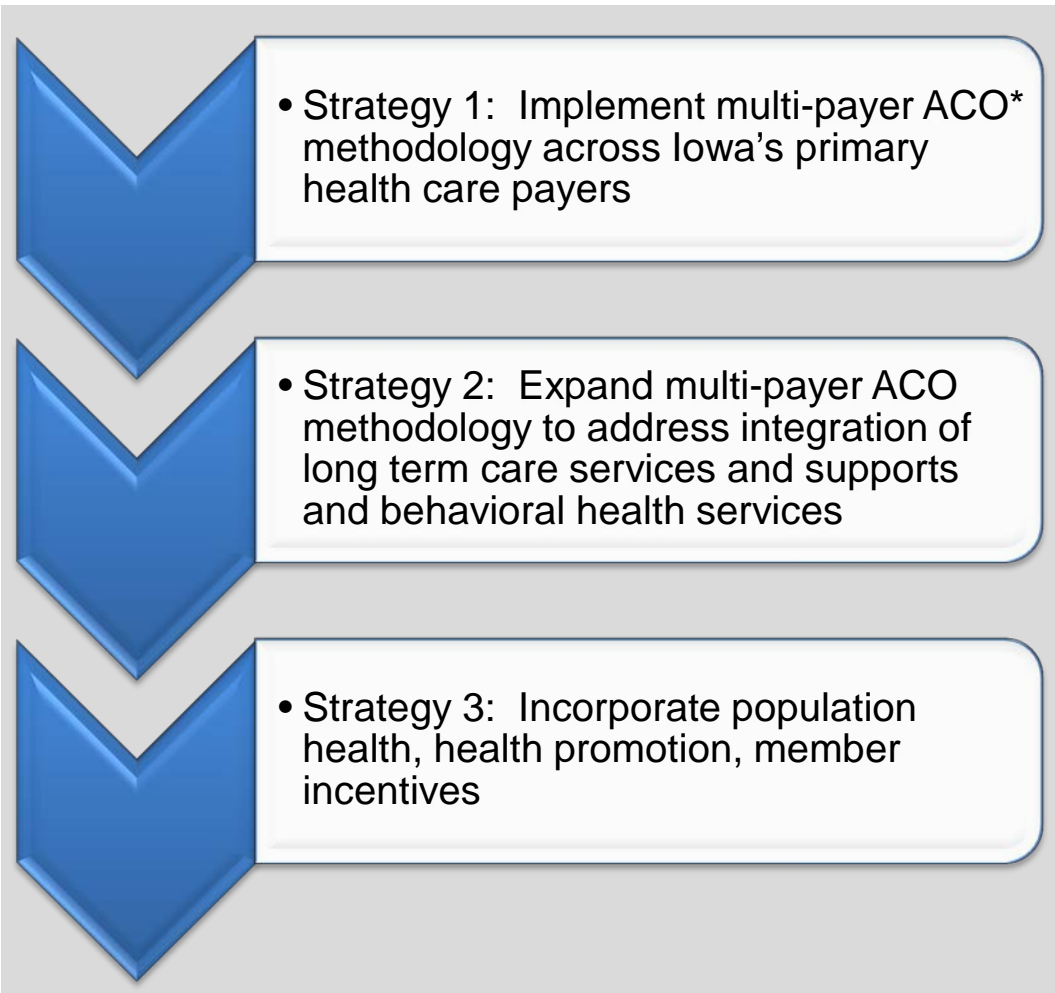
Medicaid's Role in Delivery Reform

- Medicaid:
 - Relies on the same health care system as all other payers to deliver care
 - Uses similar payment and contracting methods
 - Impacted by the same cost and drivers as other payers
 - The 2nd largest payer, covers 23% of Iowans
 - The primary payer of Long Term Care Services



SIM Levers

- ✓ Align payers and payments to provide 'critical mass' to support needed investments to change
- ✓ Value based payment reform
- ✓ Organized, coordinated delivery systems
- ✓ Build on developing health homes/medical homes
- ✓ Engage individuals in becoming and staying healthier



* 'Accountable Care Organizations' are a reimbursement method that incentivizes accountability for outcomes and lowers costs



Goals of Iowa Wellness Plan

- Begins to implement SIM Strategy 1 and 3 in the Wellness Plan **January 2014**
 - Implements medical homes and ACOs
 - Health Incentives for members to engage in Healthy Behaviors
 - Based on local access to care
 - Focus on health and improved outcomes
 - Emphasis on care coordination



Public Stakeholder Process

- Three Learning Sessions; Six Listening Sessions
- Four workgroups met from July-Sept:
 - Metrics & Contracting;
 - Member Engagement;
 - Behavioral Health Integration;
 - Long Term Care Integration from July-Sept.
- Two Consumer meetings

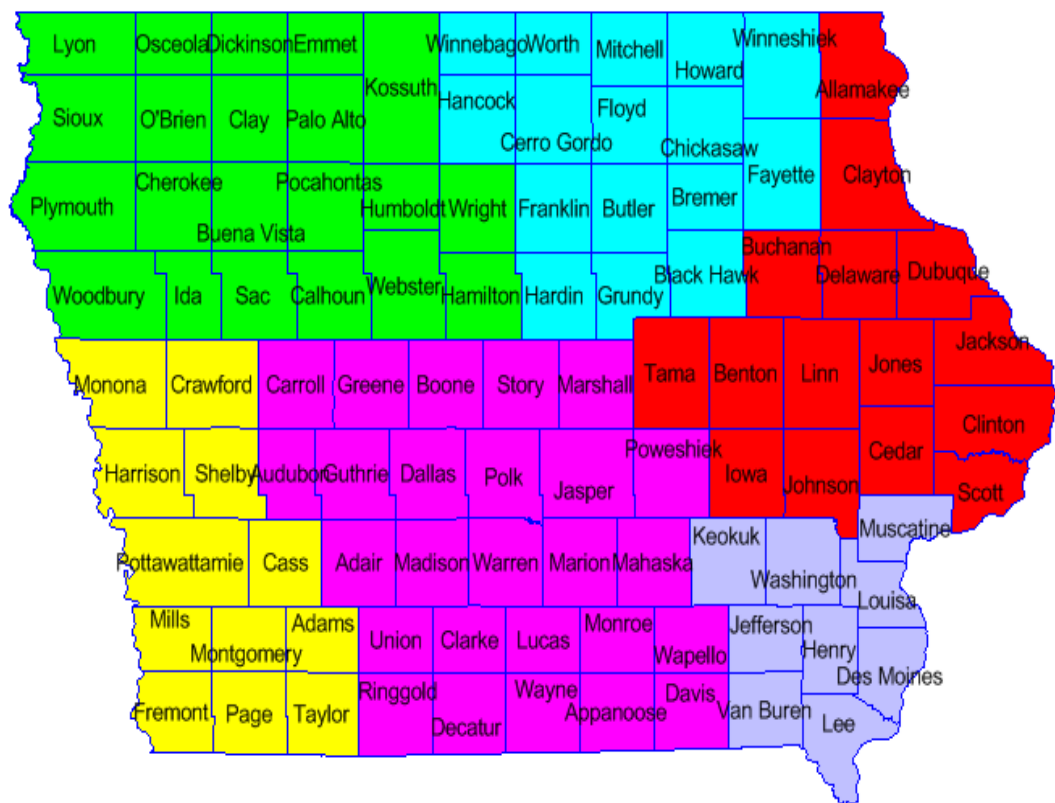


State Healthcare Innovation Plan – Key concepts

- Develop a regional approach and contract requirements for Medicaid ACOs
 - Clearly defined accountability at the community level
 - Provider relationships with other systems important (LTC, BH, Public Health, etc...)
- Align w/other payers in reimbursement, quality measurement, and reporting
- Increased transparency/data sharing
- Member engagement/healthy behaviors



DRAFT: ACO Regions



Region_1 Legend

Region

Region_2 Legend

Region

Region_3 Legend

Region

Region_4 Legend

Region

Region_5 Legend

Region

Region_6 Legend

Region

Regions were derived by examining medical neighborhoods at zip code level and drawing geographic lines at county borders



5 Year Accountability Timeline

Accountability increases as additional systems are brought into the Total Cost of Care budget

Step 1:
Implement Health and Wellness Plan w/ACO Option

Step 2:
Expand ACO model for full Medicaid population

Step 3: Add Behavioral Health Services

Step 4: Add Long Term Care (Institutional and HCBS)

Timing of steps determined by readiness exercise between the State and ACO



Website

- All SIM reports and materials can be found at:

<http://www.ime.state.ia.us/state-innovation-models.html>



Questions

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